



# THE DEVELOPMENT PROGRAM for the SOUTHBRIDGE DEVELOPMENT DISTRICT

City of Northfield, Rice County, Minnesota

Adopted: November 20, 2012  
Modification #1 Public Hearing: July 2, 2019





## Table of Contents

Municipal Action Taken .....	3
Section 1 - Introduction .....	4
Section 2 - Development Program for the Southbridge Development District .....	5
Definitions .....	5
Statutory Authority .....	6
Statement of and Finding of Public Purpose .....	6
Statement of Objectives .....	7
Statement of Public Facilities and Costs to Be Financed .....	8
Funding of Developments and Redevelopments .....	8
Environmental Controls .....	8
Proposed Reuse of Property .....	8
Open Space to Be Created .....	9
Administration and Maintenance of Southbridge Development District .....	9
Rehabilitation .....	9
Relocation .....	9
Property Acquisition .....	9
Modification of the Development Program and/or Southbridge Development District ...	10
Description of Boundaries of Southbridge Development District .....	10
Appendix A: Map of Southbridge Development District .....	11



## Municipal Action Taken

(This Municipal Action is only for convenience of reference.)

Based upon the statutory authority described in the Development Program attached hereto, the public purpose findings by the City Council and for the purpose of fulfilling the City's development objectives as set forth in the Development Program, the City Council has created, established and designated the Southbridge Development District pursuant to and in accordance with the requirements of the Municipal Development District Act and the TIF Act as defined in the definitions of this document.

The following municipal action has been taken in connection therewith:

### **Southbridge Development District**

November 20, 2012: The Development Program for the Southbridge Development District was adopted by the City of Northfield.

*For consideration July 2, 2019: The Development Program for the Southbridge Development District was modified by the City of Northfield to enlarge the Development District to include the property within the Maple Brook Housing Tax Increment Financing District.*

### **The Spring Creek Housing Tax Increment Financing District**

November 20, 2012: The Tax Increment Financing Plan for the Spring Creek Housing Tax Increment Financing District was adopted by the City of Northfield.

October 20, 2015: The Tax Increment Financing Plan for the Spring Creek Housing Tax Increment Financing District was modified to include the updated property description.

### **The Maple Brook Housing Tax Increment Financing District**

*For consideration July 2, 2019: The Tax Increment Financing Plan for the Maple Brook Housing Tax Increment Financing District was adopted by the City of Northfield.*



## Section 1 - Introduction

The City of Northfield (the "City") has previously established a Development Program for the Southbridge Development District. The following text represents a Modification to the Development Program for the Southbridge Development District. The modification represents a continuation of the goals and objectives set forth in the Development Program for the Southbridge Development District. The substantive changes include enlarging the Development District to include the property identified within Appendix A and include the establishment of the Maple Brook Tax Increment Financing District, a housing tax increment financing district.



## Section 2 - Development Program for the Southbridge Development District

### Definitions

The terms defined below shall, for purposes of this Development Program, have the meanings herein specified, unless the context otherwise specifically requires.

"Authority" means the Housing and Redevelopment Authority in and for the City of Northfield.

"City" means the City of Northfield.

"City Council" means the City Council of the City of Northfield.

"Comprehensive Plan" means the documents which contain the objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and water within the City.

"County" means the County of Rice County, Minnesota.

"Development District" means the real property within the City constituting the Southbridge Development District, as described in the Development Program.

"Development Program" means this Development Program for the Southbridge Development District, as initially proposed, and as it shall be modified.

"Enabling Act" means Minnesota Statutes, 469.124 to 469.133, as amended and supplemented from time to time.

"Land Use Regulations" means all federal, state and local laws, rules, regulations, ordinances, and plans relating to or governing the use of development of land in the City, including but not limited to environmental, zoning and building code laws and regulations.

"Municipal Development District Act" means Minnesota Statutes, 469.124 to 469.133, inclusive, as amended.

"Public Costs" means the costs set forth in the Tax Increment Financing Plan, and any other costs eligible to be financed by Tax Increments under the TIF Act and the Enabling Act.

"Public Improvements" means the public improvements described in the Development Program and Tax Increment Financing Plan.

"State" means the State of Minnesota.

"Tax Increment Bonds" means any tax increment bonds or notes (as defined in the TIF Act) issued by the City to finance the Public Costs as stated in the Development Program for the Southbridge Development District and in the Tax Increment Financing Plans, and any obligations issued to refund such bonds.



"TIF Act" means Minnesota Statutes, Sections 479.174 through 479.1799, inclusive, as amended.

"Tax Increment Financing District" means any tax increment financing district presently established or to be established in the future in the Southbridge Development District.

"Tax Increment Financing Plan" or "Plan" means the Plans adopted by the City for any Tax Increment Financing District.

## **Statutory Authority**

The City established the Southbridge Development District pursuant to the Enabling Act. It is authorized that the City will administer the Southbridge Development District and any tax increment financing districts.

Within the Southbridge Development District, the City plans to create one or more tax increment financing districts established pursuant to the Tax Increment Act to finance the affordable housing proposed for the Development District. The public improvements may be initially financed from other City sources, including, but not limited to the use of improvement bonds issued pursuant to Minnesota Statutes, Chapter 429, which sources the City may reimburse from tax increment proceeds derived from tax increment districts to be created with the Southbridge Development District.

The tax increment district or districts will be created at such time as will enable the City to capture the increase in taxable value of private improvements to be constructed within the Southbridge Development District.

## **Statement of and Finding of Public Purpose**

In recent months, the City has been reviewing the future development of the community. This review has defined several important roles for the City of Northfield:

- Facilitating development activities that are compatible with overall community development objectives of the City.
- Removing the physical and economic barriers to development.
- Providing the infrastructure needed to support development.
- Providing sites for future development.

The City intends to use the powers allowed under the Enabling Act to fill these roles, to promote development and redevelopment throughout the City, and to pool resources in order to reduce financial barriers to providing decent housing and development opportunities.

The City has found that there is a need for development and redevelopment within the Development District based upon the following conditions:

1. The Development District requires active promotion, attraction, encouragement and development of economically sound commerce through government action.
2. The Development District contains vacant, unused, underused and inappropriately used land.
3. The Development District is an appropriate site for the development of affordable rental housing.

Therefore, the City has determined to exercise its authority to develop a program for improving the Development District to provide impetus for private development and redevelopment, to provide decent housing to residents, to maintain and increase employment, to provide infrastructure to serve citizens and employees of the City, to utilize existing land for potential redevelopment and to provide other facilities as are outlined in the Development Program.

The City has also determined that proposed developments to be assisted by the City would not occur solely through private investment in the foreseeable future. The City finds that the welfare of the City of Northfield, as well as the State of Minnesota, requires active promotion, attraction, encouragement and development of economically sound industry and commerce to carry out its stated public purpose objectives.

The City has also determined that any tax increment financing plans to be proposed herein will be consistent with the Development Program, and that the tax increment financing plans will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise.

## **Statement of Objectives**

The City determines that it is necessary, desirable and in the public interest to establish, designate, develop and administer the Development District. The City determines that the establishment of the Southbridge Development District will provide the City with the ability to achieve certain public purpose objectives not otherwise obtainable in the foreseeable future without City intervention in the normal development process. The City seeks to achieve the following program objectives:

1. Promoting and securing the prompt development of property in the Development District in a manner consistent with the City's planning and with a minimal adverse impact on the environment, which property is less productive because of the lack of proper utilization and lack of investment, and thereby promoting and securing the development of other land in the City;
2. Facilitate the development of affordable rental housing, thereby meeting a broad range of housing needs in the City;
3. Securing the increase in value of property subject to taxation by the City, Independent School District No. 659 and Rice County, and any other taxing jurisdictions in order to better enable such entities to pay for public improvements and governmental services and programs required to be provided by them;

4. Securing the construction and providing of moneys for the payment of the cost of public improvements in the Development District, which are necessary for the orderly and beneficial development of the Development District; and
5. Providing and securing the development of increased opportunities for families to reside in quality rental housing, for senior citizens to choose from housing options which offer a wide array of services without regard to income, and for residents looking for affordable multi-family units.

## **Statement of Public Facilities and Costs to Be Financed**

The preceding objectives will be promoted by providing improvements and opportunities within the Development District which may include various types of site improvements, land acquisition, redevelopment, demolition, parking, street, sewer, water and other public improvements. A description of the items of expenditure and the estimated costs can be found in the Tax Increment Financing Plans for the Tax Increment Financing Districts created within this Development District.

## **Funding of Developments and Redevelopments**

To implement the established objectives, the City plans to utilize a number of public and private financing tools. Funding of the necessary activities and improvements in the Development District is expected to be accomplished through, and is not limited to, tax increment financing, special assessments, state aid for road construction, land write-down, and federal and state grants.

Any public facilities within the Development District will be financially feasible and compatible with longer range development plans. Any acquisition of property for the public improvements will be done to provide the impetus for private development within the Development District.

## **Environmental Controls**

All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable Land Use regulations.

## **Proposed Reuse of Property**

The property in the Development District is currently owned by the Authority. The City expects the Authority to convey that property to a private developer, under a development agreement among the City, Authority and Developer. Under that agreement, the City and HRA will impose certain obligations on the Developer to construct certain affordable housing facilities, and the City will agree to provide certain tax increment financing assistance to facilitate that development.

### **As Modified July 2, 2019:**

*The Development Program contemplates that the City or Authority may acquire and reconvey property to another entity. Prior to formal consideration of the acquisition of any property, the City will require the execution of a binding development agreement with respect thereto and evidence that Tax Increments or other funds will be available to repay the Public Costs associated with the proposed acquisition. It is the intent of the City to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property, as well as*

City of Northfield



*imposing certain obligations on the entity to construct certain affordable housing facilities, shall be incorporated into any development agreement to which the City is a party.*

## **Open Space to Be Created**

Any open space within the Development District will be created in accordance with the zoning and ordinances of the City.

## **Administration and Maintenance of Southbridge Development District**

Maintenance and operation of the Development District will be the responsibility of the Finance Director. Each year, the administrator of the Development District will submit to the City Council the maintenance and operation budget for the following year.

The Finance Director will administer the Development District pursuant to the provision of the Enabling Act; provided, however, that such powers may only be exercised at the direction of the City Council. No action taken by the Finance Director pursuant to the above-mentioned powers shall be effective without authorization by the City Council.

## **Rehabilitation**

The property in the Development District is currently vacant. After development, owners will be encouraged to maintain their property at a high standard.

## **Relocation**

The property in the Development District is currently vacant and owned by the Authority; no relocation of any persons is required in connection with development of the Development District.

### **As Modified July 2, 2019:**

*Any person or business that is displaced as a result of the Development Program will be relocated in accordance with Minnesota Statutes, Sections 117.50 to 117.56. The City accepts its responsibility for providing for relocation assistance pursuant to the Enabling Act. No relocation of any persons is required in connection with the proposed development of the Development District.*

## **Property Acquisition**

The property in the Development District is currently owned by the Authority; no relocation of any persons is required in connection with development of the Development District.

### **As Modified July 2, 2019:**

*The City may acquire any parcel within the Development District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the City as the City may deem to be necessary or desirable to assist in the implementation of the Development Program. The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of the Development Program. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition*

*and related costs.*

## **Modification of the Development Program and/or Southbridge Development District**

The City reserves the right to alter and amend the Development Program and the Tax Increment Financing Plans, subject to the provisions of state law regulating such action. The City specifically reserves the right to enlarge or reduce the size of the Development District and Tax Increment Financing Districts, the Development Program, the Public Costs and the amount of Tax Increment Bonds to be issued to finance such cost by following the procedures specified in Minnesota Statutes, Section 469.175, subdivision 4.

## **Description of Boundaries of Southbridge Development District**

The Development District will include a portion of parcel 22.07.3.26.001 delineated in the Map located in Appendix A of this Development Program.

### **As Modified July 2, 2019:**

*The boundaries of the Development District are hereby enlarged to include the property constituting the Maple Brook Housing Tax Increment Financing District. The enlarged Development District is shown on the map in Appendix A of this Development Program.*

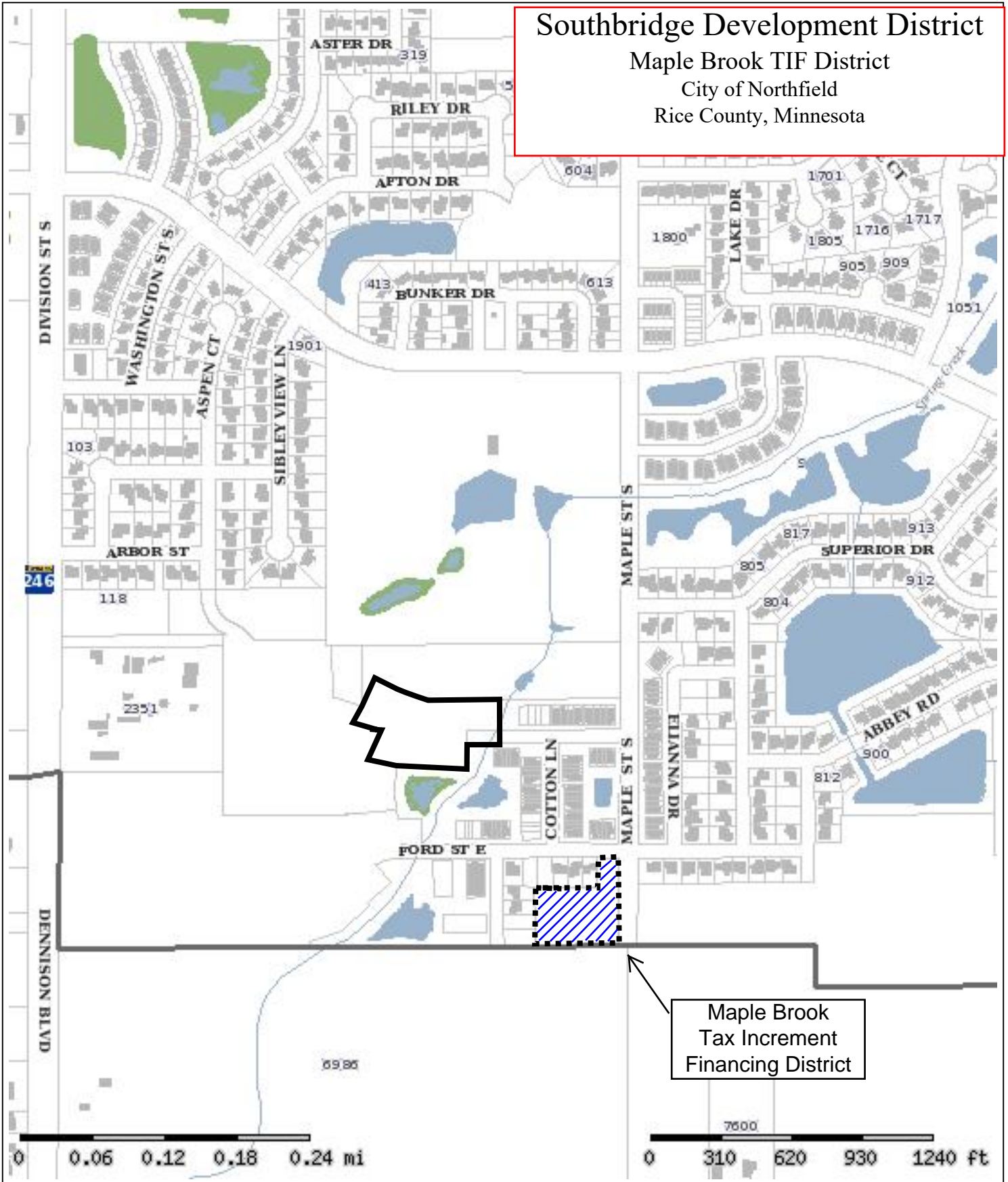
## **Appendix A: Map of Southbridge Development District**

# Southbridge Development District

Maple Brook TIF District

City of Northfield

Rice County, Minnesota



Maple Brook  
Tax Increment  
Financing District



Southbridge Development District

Maple Brook Tax Increment Financing District

Southbridge Development District as expanded



Disclaimer: This information is to be used for reference purposes only. Property data from Dakota & Rice Counties is approximate and not legally binding. Contact the appropriate county with property corrections.